

**REQUEST FOR BIPARTISAN SUPPORT FOR
AID TO NICARAGUA**

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

**A COPY OF HIS REMARKS, WHICH HE HAD HOPED TO DELIVER
TO MEMBERS OF THE HOUSE OF REPRESENTATIVES, CONCERN-
ING THE IMPORTANCE OF ACHIEVING A BIPARTISAN APPROACH
WITH RESPECT TO PROVIDING ASSISTANCE TO THE FREEDOM
FIGHTERS IN NICARAGUA**



**JUNE 24, 1986.—Referred jointly to the Committees on Appropriations,
Foreign Affairs, the Permanent Select Committee on Intelligence, and
Armed Services and ordered to be printed**

**U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1986**

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H180-46

THE WHITE HOUSE,
Washington, June 24, 1986.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: I am transmitting in writing my remarks that I had hoped to deliver to members of the House of Representatives today. It was my desire to speak directly to the members of the House of Representatives to emphasize the importance of achieving a bipartisan approach to address the urgent question of providing assistance to the freedom fighters in Nicaragua.

Earlier this year the Senate passed a bipartisan program of assistance to keep the hope of democracy alive in Nicaragua. In the House of Representatives many members of both political parties have worked together in support of a program that would promote democracy in Central America and to resolve the internal conflict in Nicaragua.

This program is embodied in the Skelton-Edwards-Ray-Chandler amendment to the Military Construction Appropriations bill and provides a balanced package of immediate humanitarian and military aid essential to the freedom fighters in Nicaragua. The amendment also provides much needed additional economic assistance to the neighboring democracies of El Salvador, Honduras, Guatemala, and Costa Rica.

It is imperative to our own national security and in the interest of long-term stability in our hemisphere that we support the forces of democracy in Central America.

It is my hope that this message will be received by members of the House in the bipartisan spirit in which it is sent.

Sincerely,

RONALD REAGAN.

TEXT OF REMARKS BY THE PRESIDENT IN AN ADDRESS TO THE NATION

The Oval Office, June 24, 1986.

My fellow citizens. The matter that brings me before you today is a grave one and concerns my most solemn duty as President. It is the cause of freedom in Central America and the national security of the United States. Tomorrow the House of Representatives will debate and vote on this issue. I had hoped to speak directly and at this very hour to Members of the House of Representatives on this subject, but was unable to do so. Because I feel so strongly about what I have to say, I have asked for this time to share with you—and Members of the House—the message I would have otherwise given.

Nearly forty years ago a Democratic President, Harry Truman, went before the Congress to warn of another danger to democracy, a civil war in a faraway country in which many Americans could perceive no national security interest. Some of you can remember the world then: Europe lay devastated.

One by one, the nations of Eastern Europe had fallen into Stalin's grip. The democratic government of Czechoslovakia would soon be overthrown. Turkey was threatened, and in Greece, the home of democracy, communist guerrillas, backed by the Soviet Union, battled democratic forces to decide the Nation's fate.

Most Americans did not perceive this distant danger. So the opinion polls reflected little of the concern that brought Harry Truman to the well of the House that day. But go he did. And it is worth a moment to reflect on what he said.

In a hushed chamber, Mr. Truman said that we had come to a time in history when every nation would have to choose between two opposing ways of life. One way was based on the will of the majority—on free institutions and human rights.

"The second way of life," he said "is based upon the will of a minority forcibly imposed upon the majority. It relies upon terror and oppression, a controlled press and radio, fixed elections and the suppression of personal freedoms."

"I believe," President Truman said, "that it must be the policy of the United States to support free people who are resisting attempted subjugation by armed minorities or by outside pressures."

When Harry Truman spoke, Congress was controlled by the Republican Party. But that Congress put America's interest first, and supported Truman's request for military aid to Greece and Turkey—just as 4 years ago Congress put America's interest first by supporting my request for military aid to defend democracy in El Salvador.

I speak today in that same spirit of bipartisanship. My fellow Americans—and Members of the House—I need your help.

I ask first for your help in remembering—remembering our history in Central America so we can learn from the mistakes of the past.

Too often in the past, the United States failed to identify with the aspirations of the people of Central America for freedom and a better life. Too often our government appeared indifferent when democratic values were at risk. So, we took the path of least resistance—and did nothing.

Today, however, with American support, the tide is turning in Central America. In El Salvador, Honduras, Costa Rica—and now in Guatemala—freely-elected governments offer their people the chance for a better future—a future the United States must support.

But there is one tragic, glaring exception to that democratic tide—the Communist Sandinista government in Nicaragua. It is tragic because the United States extended a generous hand of friendship to the new revolutionary government when it came to power in 1979.

Congress voted \$75 million in economic aid. The United States helped re-negotiate Nicaragua's foreign debt. America offered teachers, doctors, and Peace Corps volunteers to help rebuild the country. But the Sandinistas had a different agenda.

From the very first day, a small clique of Communists worked steadily to consolidate power and squeeze out their democratic allies.

The democratic trade unionists—who had fought Somoza's National Guard in the streets—were now told by the Sandinistas that the right to strike was illegal and that their "revolutionary" duty was to produce more for the state.

The newspaper—La Prensa—whose courage and determination had inspired so much of the Nicaraguan revolution—found its pages censored and suppressed. Violeta Chamorro—widow of the assassinated editor—soon quit the revolutionary government to take up the struggle for democracy again—in the pages of her newspaper.

The leader of the Catholic Church in Nicaragua, Archbishop—now Cardinal—Obando y Bravo, who had negotiated the release of the Sandinista leaders from prison during the revolution, was now vilified as a traitor by the very men he helped to free.

Soviet arms and Bloc personnel began arriving in Nicaragua. With Cuban, East German, and Bulgarian advisers at their side, the Sandinistas began to build the largest standing army in Central American history and to erect all the odious apparatus of the modern police state.

Under the Somoza dictatorship, a single facility held all political prisoners. Today there are eleven. Eleven prisons in place of one.

The Sandinistas claim to defend Nicaraguan independence. But you and I know the truth. The proud people of Nicaragua did not rise up against Somoza—and struggle, fight, and die—to have Cubans, Russians, Bulgarians, East Germans, and North Koreans running their prisons, organizing their army, censoring their newspapers, and suppressing their religious faith. One Nicaraguan nationalist, who fought in the revolution, says: "We are an occupied country today."

I could go on, but I know that even the Administration's harshest critics in Congress hold no brief for Sandinista repression. Indeed, the final verdict has already been written by Cardinal Obando himself in the Washington Post. Listen carefully to the Cardinal's words.

He says: The idea that the Sandinista regime "is a democratic government, legitimately constituted, which . . . seeks the welfare and peace of the people and enjoys the support of the overwhelming majority is not true."

To accept this as true, the Cardinal says, "is to ignore the mass exodus of the Miskito Indians . . . the departure of tens of thousands of Nicaraguan men and women of every age, profession, economic status and political persuasion . . . it is to ignore . . . the most terrible violation of freedom of the press and of speech in the history of our country . . . the expulsion of priests and the mass exodus of young people eligible for military service." As for the Catholic Church in Nicaragua, we have been "gagged and bound," the Cardinal says.

Many brave Nicaraguans have stayed in their country despite mounting repression—defying the security police, defying the Sandinista mobs that attack and deface their homes. Thousands—peasants, Indians, devout Christians, draftees from the Sandinista army—have concluded that they must take up arms again to fight for the freedom they thought they had won in 1979.

The young men and women of the democratic resistance fight inside Nicaragua today in grueling mountain and jungle warfare. They confront a Soviet-equipped army, trained and led by Cuban officers. They face murderous helicopter gunships without any means of defense. And still they volunteer. And still their numbers grow.

Who among us would tell these brave young men and women—your dream is dead; your democratic revolution is over; you will never live in the free Nicaragua you fought so hard to build?

The Sandinistas call these freedom fighters contras—for counter-revolutionaries. But the real counter-revolutionaries are the Sandinista commandantes, who betrayed the hopes of the Nicaraguan Revolution, and sold out their country to the Soviet Empire.

The commandantes even betrayed the memory of the Nicaraguan rebel leader Sandino, whose legacy they falsely claim. For the real Sandino—because he was a genuine nationalist—was opposed to communism. In fact, Sandino broke with the Salvadoran communist leader, Farbundo Marti, over this very issue.

The true Nicaraguan nationalists are the leaders of the United Nicaraguan Opposition: Arturo Cruz—jailed by Somoza, a former member of the Sandinista government; Adolfo Calero—who helped organize a strike of businessmen to bring Somoza down; and Alfonso Robelo—a social democrat, and once a leader of the revolutionary government.

These good men refused to make any accommodation with the Somoza dictatorship. Who among us can doubt their commitment to bring democracy to Nicaragua?

So, the Nicaraguan people have chosen to fight for their freedom. Now we Americans must also choose.

For you and I and every American has a stake in this struggle. Central America is vital to our own national security—and the Soviet Union knows it. The Soviets take the long view but their strategy is clear—to dominate the strategic sea lanes and vital chokepoints around the world.

Half of America's imports and exports, including oil, travels through the sea today. In a crisis, over half of NATO's supplies would pass through this region. And Nicaragua, just 277 miles from the Panama Canal, offers the Soviet Union ports in both the Atlantic and Pacific Oceans.

The Soviet Union already uses Cuba as an air and submarine base in the Caribbean. It hopes to turn Nicaragua into the first Soviet base on the mainland of North America.

If you doubt it, ask yourself: why have the last four Soviet leaders—with a mounting economic crisis at home—already invested over a billion dollars and dispatched thousands of Soviet bloc advisers into a tiny country in Central America?

I know that no one in Congress wants to see Nicaragua become a Soviet military base. My friends, I must tell you in all seriousness: Nicaragua is becoming a Soviet base every day that we debate and debate and debate—and do nothing.

In the 3 months since I last asked the House to aid the democratic resistance, four military cargo ships have arrived at Nicaraguan ports, this time directly from the Soviet Union. Recently we have learned that Russian pilots are flying a Soviet A.N.-thirty reconnaissance plane for the Sandinistas.

The Sandinistas claim this is just for making civilian maps. Our intelligence services believe this could be the first time Soviet personnel have taken a direct role in support of military operations on the mainland of North America.

Think again how Cuba became a Soviet air and naval base. You will see what Nicaragua will look like if we continue to do nothing. Cuba became a Soviet base gradually over many years. There was no single dramatic event—once the missile crisis passed—that captured the nation's attention. And so it will be with Nicaragua.

The Sandinistas will widen and deepen another port while we debate: is it for commercial vessels or Soviet submarines? The Sandinistas will complete another air strip while we argue: is it for 707's or Backfire Bombers? A Soviet training brigade will come to Nicaragua. Half will leave and half will stay. And we will debate: are they soldiers or engineers?

Eventually, we Americans will have to stop arguing among ourselves. We will have to confront the reality of a Soviet military beachhead inside our defense perimeters—about 500 miles from Mexico. A future President and Congress will then face nothing but bad choices, followed by worse choices.

My friends in the House, for over 200 years the security of the United States has depended on the safety of unthreatened borders, north and south. Do we want to be the first elected leaders in U.S. history to put our borders at risk?

Some of you may say: this is fear-mongering. Such a danger to our security will never come to pass. Perhaps it won't. But in making your decision on my request for aid tomorrow, consider this: what are the consequences for our country if you are wrong?

I know some Members of Congress who share my concern about Nicaragua have honest questions about my request for aid to the democratic resistance. Let me try to address them. Do the freedom fighters have the support of the Nicaraguan people? I urge Members of the House to ask their colleague, the Chairman of the House Armed Services Committee, who recently visited a town in Nicaragua that was a Sandinista stronghold during the revolution. He heard peasants, trade unionists, farmers, workers, students, and shop keepers all call on the United States to aid the armed resistance.

Or listen to the report from Time Magazine of Central American scholar, Robert Leiken, who once had hopes for the Sandinista revolution. He says: "I have gone to a number of towns in Nicaragua where I have found that the youth are simply not there. I ask their parents where they've gone, and they say, they've gone off to join the contras." In Managua, Leiken reports, 250 Nicaraguans stood on a breadline for 3 hours. "Who is responsible?" he asked. "The Sandinistas are responsible," the people said. "The Sandinistas," Leiken concluded, "have not only lost support, I think they are detested by the population."

Can the democratic forces win? Consider: There are 20 times as many Nicaraguans fighting the Sandinista dictatorship today as there were Sandinista fighters a year before Somoza fell. This is the largest peasant army raised in Latin America in more than 50 years. And thousands more are waiting to volunteer, if American support comes through.

Some Members of Congress—and I know some of you—fear that military aid to the democratic resistance will be only the first step down the slippery slope toward another Vietnam. I know those fears are honest. But think where we heard them before.

Just a few years ago, some argued in Congress that U.S. military aid to El Salvador would lead inevitably to the involvement of U.S. combat troops. But the opposite turned out to be true.

Had the United States failed to provide aid then, we might well be facing the final Communist takeover of El Salvador, and mounting pressures to intervene. Instead—with our aid—the government of El Salvador is winning the war—and there is no prospect whatever of American military involvement.

El Salvador still faces serious problems that require our attention. But democracy there is stronger. And both the communist guerrillas and the right-wing death squads are weaker. And Congress shares credit for that accomplishment.

American aid and training is helping the Salvadoran army become a professional fighting force, more respectful of human rights. With our aid, we can help the Nicaraguan resistance accomplish the same goal.

I stress this point because I know many Members of Congress and many Americans are deeply troubled by allegations of abuses by elements of the armed resistance. I share your concerns. Even though some of those charges are Sandinista propaganda, I believe such abuses have occurred in the past. And they are intolerable.

As President, I repeat to you the commitments I made to Senator Sam Nunn. As a condition of our aid, I will insist on civilian control over all military forces; that no human rights abuses be toler-

ated; that any financial corruption be rooted out; that American aid go only to those committed to democratic principles. The United States will not permit this democratic revolution to be betrayed nor allow a return to the hated repression of the Somoza dictatorship.

The leadership of the United Nicaraguan opposition shares these commitments and I welcome the appointment of a bipartisan congressional commission to help us see that they are carried out.

Some ask: what are the goals of our policy toward Nicaragua? They are the goals the Nicaraguan people set for themselves in 1979: democracy, a free economy, and national self-determination.

Clearly the best way to achieve these goals is through a negotiated settlement. No humane person wants to see suffering and war.

The leaders of the internal opposition and the Catholic Church have asked for dialogue with the Sandinistas. The leaders of the armed resistance have called for a cease-fire and negotiations at any time, in any place. We urge the Sandinistas to heed the pleas of the Nicaraguan people—for a peaceful settlement.

The United States will support any negotiated settlement or Contadora Treaty that will bring real democracy to Nicaragua. What we will not support is a paper agreement that sells out the Nicaraguan people's right to be free.

That kind of agreement would be unworthy of us as a people. And it would be a false bargain. For internal freedom in Nicaragua and the security of Central America are indivisible. A free and democratic Nicaragua will pose no threat to its neighbors, or to the United States. A communist Nicaragua, allied with the Soviet Union, is a permanent threat to us all.

President Azcona of Honduras emphasized this point in a recent nationwide address. "As long as there is a totalitarian regime [in Central America] that has expansionist ambitions and is supported by an enormous military apparatus . . . the neighboring countries sharing common borders with the country that is the source of the problem, will be under constant threat." If you doubt his warning, consider this. The Sandinistas have already sent two groups of communist guerrillas into Honduras. Costa Rican revolutionaries are already fighting alongside Sandinista troops.

My friends in the Congress: with democracy still a fragile root in Central America—with Mexico undergoing an economic crisis—can we responsibly ignore the long-term danger to American interests posed by a communist Nicaragua, backed by the Soviet Union, and dedicated—in the words of its own leaders—to a "revolution without borders"?

My friends, the only way to bring true peace and security to Central America is to bring democracy to Nicaragua. And the only way to get the Sandinistas to negotiate seriously about democracy is to give them no other alternative. Seven years of broken pledges, betrayals, and lies have taught us that.

That is why the measure the House will consider tomorrow—offered I know in good faith—which prohibits military aid for at least another 3 months—and perhaps forever—would be a tragic mistake. It would not bring the Sandinistas to the bargaining table. Just the opposite.

The bill, unless amended, would give the Sandinistas and the Soviet Union what they seek most—time. Time to crush the democratic resistance. Time to consolidate power. And it would send a demoralizing message to the democratic resistance: that the United States is too divided and paralyzed to come to their aid in time.

Recently, I read the words of a leader of the internal democratic opposition. What he said made me feel ashamed.

This man has been jailed, his property confiscated, and his life threatened by the security police. Still he continues to fight. He said: "You Americans have the strength, the opportunity, but not the will. We want to struggle, but it is dangerous to have friends like you . . . to be left stranded on the landing beaches of the Bay of Pigs. Either help us or leave us alone."

My friends in the House of Representatives: I urge you to send a message tomorrow to this brave Nicaraguan—and thousands like him. Tell them it is not dangerous to have friends like us. Tell them: America stands with those who stand in defense of freedom.

When the Senate voted earlier this year for military aid, Republicans were joined by many Democratic leaders: Bill Bradley of New Jersey, Sam Nunn of Georgia, David Boren of Oklahoma, Howell Heflin of Alabama, Lloyd Bentsen of Texas, Bennett Johnston and Russell Long of Louisiana, Fritz Hollings of South Carolina, John Stennis of Mississippi, and Alan Dixon of Illinois. Tonight I ask the House for that kind of bipartisan support for the amendment to be offered tomorrow by Democrats Ike Skelton of Missouri and Richard Ray of Georgia, and Republicans Mickey Edwards of Oklahoma and Rod Chandler of Washington. This bipartisan amendment will provide the freedom fighters with what they need—now.

With that amendment, you also send another message to Central America. For democracy there faces many enemies: poverty, illiteracy, hunger, and despair. And the United States must also stand with the people of Central America against these enemies of democracy.

That is why—just as Harry Truman followed his request for military aid to Greece and Turkey with the Marshall Plan—I urge Congress to support \$300 million in new economic aid to the Central American democracies.

The question before the House is not only about the freedom of Nicaragua and the security of the United States, but who we are as a people.

President Kennedy wrote on the day of his death that history had called this generation of Americans to be "watchmen on the walls of world freedom." A Republican President, Abraham Lincoln, said much the same thing on the way to his Inauguration in 1861.

Stopping in Philadelphia, Lincoln spoke in Independence Hall, where our Declaration of Independence was signed. He said far more had been achieved in that hall than just American independence from Britain. Something permanent . . . something unalterable . . . had happened. He called it: "hope to the world for all future time."

Hope to the world for all future time. In some way, every man, woman, and child in our world is tied to those events in Independ-

ence Hall, to the universal claim to dignity, to the belief that all human beings are created equal, that all people have a right to be free.

We Americans have not forgotten our revolutionary heritage. But sometimes it takes others to remind us of what we ourselves believe.

Recently, I read the words of a Nicaraguan Bishop, Pablo Vega, who visited Washington a few weeks ago. Somoza called Pablo Vega the "communist bishop." Now the Sandinistas revile him as the "contra bishop." But Pablo Vega is really a humble man of God.

"I am saddened," the good Bishop said, "that so many North Americans have a vision of democracy that . . . has only to do with materialism . . ." The Sandinistas "speak of human rights as if they were talking of the rights of a child—the right to receive from the bountifulness of the state . . . but even the humblest campesino knows what it means to have the right to act." "We are defending," Pablo Vega said, "the right of man to be."

Well Reverend Father, we hear you. For we Americans believe with you that even the humblest campesino has the right to be free. My fellow citizens, Members of the House: let us not take the path of least resistance in Central America again. Let us keep faith with these brave people struggling for their freedom. Give them, give me, your support; and together, let us send this message to the world: that America is still a beacon of hope, still a light unto the nations. A light that casts its glow across the land and our continent and even back across the centuries—keeping faith with a dream of long ago.



DEFERRALS

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

**NOTIFICATION OF FOUR NEW DEFERRALS OF BUDGET
AUTHORITY, PURSUANT TO 2 U.S.C. 684(a)**



**JUNE 24, 1986.—Message and accompanying papers referred to the
Committee on Appropriations and ordered to be printed**

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To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report four new deferrals of budget authority totaling \$46,424,273.

The details of these deferrals are contained in the attached report.

RONALD REAGAN.

THE WHITE HOUSE, *June 24, 1986.*

CONTENTS OF SPECIAL MESSAGE
(in thousands of dollars)

<u>DEFERRAL NO.</u>	<u>ITEM</u>	<u>BUDGET AUTHORITY</u>
	Department of Energy	
	Energy Programs	
D86-67	Fossil energy research and development.....	500
D86-68	Energy conservation.....	287
D86-69	Strategic petroleum reserve.....	637
	Department of Health and Human Services	
	Health Care Financing Administration	
D86-70	Program management.....	45,000
	Total, deferrals.....	46,424

**SUMMARY OF SPECIAL MESSAGES
FOR FY 1986
(in thousands of dollars)**

	<u>Rescissions</u>	<u>Deferrals</u>
Seventh special message:		
New items.....	---	46,424
Revisions to previous special messages.....	---	----
Effects of seventh special message.....	---	46,424
Amounts from previous special messages that are changed by this message (changes noted above).....	---	----
Subtotal, rescissions and deferrals.....	---	46,424
Amounts from previous special messages that are not changed by this message.....	10,126,892	24,720,727
Total amount proposed to date in all special messages.....	10,126,892	24,767,151

Deferral No: D86-67

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Section 1013 of P.L. 93-344

Agency:	P.L. 99-190	310,970,912
Department of Energy	New budget authority.....	\$ 15,000,000
Bureau:	(P.L. 98-146)	
Energy Programs	Other budgetary resources	40,169,853
Appropriation title and symbol:	Total budgetary resources	366,140,765
Fossil energy research and development 1/	Amount to be deferred:	
89X0213	Part of year	\$ _____
	Entire year	499,812.
OMB Identification code:	Legal authority (in addition to sec. 1013):	
89-0213-0-1-271	☒ Antideficiency Act	
Grant program:	☐ Other _____	
☐ Yes ☒ No		
Type of account or fund:	Type of budget authority:	
☐ Annual	☒ Appropriation	
☐ Multiple-year (expiration date)	☐ Contract authority	
☒ No-Year	☐ Other _____	

Justification: This account funds research and development activities in coal, petroleum and unconventional gas. The deferral represents recoveries of prior year obligations for projects and activities which have been completed or terminated. These funds cannot be effectively used this year and will be used to partially offset the 1987 appropriation request. This action is taken pursuant to the Antideficiency Act (31 U.S.C. 1512).

Estimated Program Effect: None

Outlay Effect: None

1/ This account was the subject of a similar deferral (D85-27A) and rescission proposals in 1985 (R85-84 and R85-85). It is the subject of an unrelated deferral in 1986 (D86-6).

* Revised from previous report.

Deferral No: D86-68

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Section 1013 of P.L. 93-344

AGENCY:	New budget authority..... \$ 446,721,492 (P.L. 99-190)
Department of Energy	Other budgetary resources 22,022,295
Bureau:	Total budgetary resources 468,743,787
Energy Programs	
Appropriation title and symbol:	Amount to be deferred:
Energy conservation 1/	Part of year \$
89X0215	Entire year 287,488
OMB identification code:	Legal authority (in addition to sec. 1013):
89-0215-0-1-272	☒ Antideficiency Act
Grant program:	☐ Other
☒ Yes ☐ No	
Type of account or fund:	Type of budget authority:
☐ Annual	☒ Appropriation
☐ Multiple-year (expiration date)	☐ Contract authority
☒ No-Year	☐ Other

Justification: This account funds a variety of energy research and development activities including buildings and community systems, industry, transportation, and multi-sector research. It also funds assistance to State and local governments for the weatherization of schools, hospitals, and low-income dwellings. The deferral represents recoveries of prior year obligations for projects and activities which have been completed or terminated. These funds cannot be effectively used this year and will be used to partially offset the 1987 appropriation request. This action is taken pursuant to the Antideficiency Act (31 U.S.C. 1512).

Estimated Program Effect: None

Outlay Effect: None

1/ This account was the subject of a similar deferral in 1985 (D85-30B) and a rescission proposal in 1985 (R85-87). It is the subject of an unrelated deferral in 1986 (D86-9A).

Deferral No: D86-69

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Section 1013 of P.L. 93-344

AGENCY:	New budget authority..... \$112,364,742
Department of Energy	(P.L. 99-190)
Bureau:	Other budgetary resources 102,841,056
Energy Programs	Total budgetary resources 415,205,798
Appropriation title and symbol:	Amount to be deferred:
Strategic petroleum reserve 1/	Part of year \$
89X0218	Entire year 636,973
OMB identification code:	Legal authority (in addition to sec. 1013):
89-0218-0-1-274	☒ Antideficiency Act
Grant program:	☐ Other
☐ Yes ☒ No	
Type of account or fund:	Type of budget authority:
☐ Annual	☒ Appropriation
☐ Multiple-year (expiration date)	☐ Contract authority
☒ No-Year	☐ Other

Justification: Funds appropriated to this account are for the development, operation and management of the Strategic Petroleum Reserve (SPR). The deferral represents recoveries of prior year obligations for projects and activities which have been completed or terminated. These funds cannot be effectively used this year and will be used to partially offset the 1987 appropriation request. This action is taken pursuant to the Antideficiency Act (31 U.S.C. 1512).

Estimated Program Effect: None

Outlay Effect: None

1/ This account was the subject of unrelated deferrals in 1985 (D85-42) and in 1986 (D86-37A).

Deferral No: D86-70

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Section 1013 of P.L. 93-344

AGENCY: Department of Health and Human Services	New budget authority..... \$ 89,533,000 (P.L. 99-178)
Bureau: Health Care Financing Administration	Other budgetary resources 1,241,645,648
Appropriation title and symbol:	Total budgetary resources 1,331,198,648
Program management	Amount to be deferred:
7540511	Part of year _____
	Entire year \$ 45,000,000
OMB identification code:	Legal authority (in addition to sec. 1013):
75-0511-0-1-550	☒ Antideficiency Act
Grant program: ☐ Yes ☒ No	☐ Other _____
Type of account or fund:	Type of budget authority:
☒ Annual	☒ Appropriation
☐ Multiple-year (expiration date)	☐ Contract authority
☐ No-Year	☐ Other _____

Justification: This account funds research, medicare contractors, State certification, and administrative costs. The Consolidated Omnibus Reconciliation Act of 1985 (COBRA) appropriated \$105 million in FY 1986, \$60 million more than the \$45 million provided annually in FY 1983, 84, and 85 for Medicare contractor payment safeguard activities. At the time COBRA was originally drafted, action on the regular FY 1986 appropriations bill was not complete and the status of funding for this program was uncertain. Subsequently, \$45 million was also provided through the appropriations process, but COBRA was not changed and was passed by the Congress after the regular appropriation bill. It appears that the two actions combined provided \$45 million more than intended.

Congressional intent to provide only an additional \$60 million is indicated by the Conference Report accompanying COBRA:

The Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) earmarked \$45 million through FY85 for intensified review activities. This authorization is extended for three years through FY88. The \$105 million under the Senate amendment represents an additional \$60 million above this amount.

The additional \$60 million represents a 30% increase over the payment safeguard resources available in FY86. It will take all of HCFA's managerial skill to effectively utilize this increase in the last two quarters of the year. HCFA could not effectively utilize the additional \$45 million.

Estimated Program Effect: None

Outlay Effect: None

BUDGET AMENDMENTS, FISCAL YEAR 1987

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

**AMENDMENTS TO THE REQUEST FOR APPROPRIATIONS FOR
FISCAL YEAR 1987 FOR THE ENVIRONMENTAL PROTECTION
AGENCY, THE FEDERAL COMMUNICATIONS COMMISSION, AND
THE NATIONAL COUNCIL ON PUBLIC WORKS IMPROVEMENT,
PURSUANT TO 31 U.S.C. 1107**



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THE WHITE HOUSE,
Washington, June 24, 1986.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES,

SIR: I ask the Congress to consider amendments to the request for appropriations for fiscal year 1987 for the Environmental Protection Agency, the Federal Communications Commission, and the National Council on Public Works Improvement.

The details of these proposals are set forth in the enclosed letter from the Director of the Office of Management and Budget. I concur with his comments and observations.

Respectfully,

RONALD REAGAN.

Enclosures.

Estimate No. 13
99th Congress, 2nd Session



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

June 24, 1986

The President

The White House

Sir:

I have the honor to submit for your consideration amendments to the request for appropriations for fiscal year 1987 for the Environmental Protection Agency, the Federal Communications Commission, and the National Council On Public Works Improvement.

I have carefully reviewed the proposals contained in this document and am satisfied that these requests are necessary at this time. I recommend, therefore, that these proposals be transmitted to the Congress.

Respectfully,

A handwritten signature in dark ink, appearing to read "J. C. Miller III".

James C. Miller III
Director

Enclosures

ENVIRONMENTAL PROTECTION AGENCY

1987 Budget Appendix Page	Heading	1987 Request Pending	1987 Proposed Amendment	1987 Revised Request
I-T5	Construction grants	---	language reappropriating \$5,000,000	\$5,000,000

(Insert the following language immediately under the above heading:)

Funds appropriated under this heading in Public Law 98-396 shall be made available until September 30, 1987.

This proposal would extend the availability of funds appropriated in fiscal year 1984 to treat sewage flowing from Tijuana, Mexico into the United States. This extension is necessary so that conditions set forth in Public Law 98-396 for the treatment of this sewage can be met and to provide time to design the treatment system. This proposal would shift \$5.0 million in outlays from fiscal year 1986 to fiscal year 1987.

OTHER INDEPENDENT AGENCIES
FEDERAL COMMUNICATIONS COMMISSION

1987 Budget Appendix Page	Heading	1987 Request Pending	1987 Proposed Amendment	1987 Revised Request
I-Z23	Salaries and expenses	\$96,363,000	\$879,000	\$97,242,000

This proposal would provide funds to implement the system of user fees that are required by the Consolidated Omnibus Budget Reconciliation Act of 1985 (Public Law 99-272). This increase would be more than offset by collections from applicants and licensees of \$15 million in fiscal year 1987 and \$30 million per year beginning in fiscal year 1988. This proposal would increase fiscal year 1987 outlays by \$879 thousand. The fees collected would go into the General fund of the Treasury.

OTHER INDEPENDENT AGENCIES
 TEMPORARY STUDY COMMISSION'S
 National Council On Public Works Improvement

1987 Budget Appendix Page	Heading	1987 Request Pending	1987 Proposed Amendment	1987 Revised Request
I-Z120	Salaries and expenses	---	\$2,500,000	\$2,500,000
	(Insert the above heading and the following appro- priation language immediately under "National Council On Public Works Improvement:")			
	<u>For expenses necessary to carry out provisions of the Public Works Improvement Act of 1984, 42 U.S.C. 3121, \$2,500,000.</u>			

This proposal would provide additional funds for the operation of the National Council On Public Works Improvement. This Council has been directed to report to the President on the state of the Nation's infrastructure. This proposal would increase fiscal year 1987 outlays by \$2.0 million.